

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE BUREAU OF AGRICULTURAL ECONOMICS,
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

February 16, 1925.

Vol. III, No. 4.

RAISIN SYRUP TO BE MADE ON A COMMERCIAL SCALE

Surplus raisins are to cease being a bugbear in California. As a result of intensive investigational and experimental work extending over a year, by the research department of the Sun-Maid Raisin Growers of California, Fresno, Calif., a satisfactory process has been developed for turning raisins into a high-grade syrup. Plans have been completed, and construction work started, for the erection of a large plant on a ten-acre tract near Fresno, for conversion of low-grade and inferior raisins into syrup and by-products having commercial value. It is stated that the new syrup is one of the sweetest substances known, that its color can be controlled, and that it is neutral as to taste, thus permitting the control of the flavor. Among the by-products obtained in the manufacturing process will be crude cream of tartar, a stock feed, and a fertilizer containing lime, phosphate and nitrogenous matter.

Raisin syrup, it is announced, is a product which will fit in nicely with the merchandising program of the Sun-Maid association. At first it will be sold largely to bakers through the selling connections already established for supplying them with Sun-Maid raisins for raisin bread. Later a table syrup will be developed.

The stock feed and fertilizer by-products will be sold largely in California. The former will be made from the pulp of the raisins from which the sugar has been extracted and from stems. The chemicals having value for fertilizing purposes are obtained during the several processes for refining the syrup.

The new plant with the special equipment required to convert raisins into syrup is expected to be ready for operation by June. According to estimates it will give work to about 150 employees.

Sales of Sun-Maid raisins during 1924 were larger than for any other year in the history of the association. A total of 215,109 tons was sold during the calendar year, compared with 125,144 tons in 1923; 123,037 tons in 1922; 102,919 tons in 1921; and 110,644 tons in 1920.

It is reported that the 17,000 members of the Sun-Maid association produce 87% of the raisins grown in America.

MICHIGAN GRAPES SOLD IN DAILY POOLS

Ten cars of pears and 288 cars of grapes were handled during the fall of 1924 by the St. Joseph-Michigan Fruit Association, St. Joseph, Mich. These fruits were sold for \$193,800. The grapes were sold in 156 daily pools extending from September 20 to October 29. The largest number of pools effective for any one day was 12 for October 6. The average season's price per ton ranged from \$51.15 for Concords to \$73.58 for Moores.

At the close of the year the association had a balance of \$11,127 in its surplus account, over \$6,000 being profits earned during 1924.

---0---

MICHIGAN ASSOCIATION ACTIVE TWENTY-FIVE YEARS

Nearly 400 of the 441 members of the Southern Michigan Fruit Association, Lawton, Mich., have signed a three-year non-cancelable contract as a result of the activity of the manager. This association in 1924 shipped 911 cars of grapes. Its membership during the year increased by 88 and it is expected that 50 more growers will become members during the current year.

Gross receipts from the 911 cars were \$615,098. From this was deducted the sum of \$53,132 for freight, commissions, detention, demurrage, insurance, etc., and \$55,198 was set aside for administrative expenses. As these expenses were but \$15,994, the remaining \$35,253 was returned to the growers. Therefore by the close of the season the growers had received approximately 87% of the delivered value, or 97.1% of the f.o.b. value at shipping point.

Available data relative to cars shipped and gross sales since 1911 are as follows:

Year	Cars Shipped	Gross Sales
1911	1,900	-----
1912	1,200	-----
1913	200	\$111,000
1914	---	374,000
1915	---	150,000
1921	---	522,000
1922	1,194	812,000
1923	632	518,563
1924	911	615,098

The association was formed in 1899 and has been serving its members since that year.

SOUTH HAVEN FRUIT EXCHANGE LOSES ON 1924 CROP

A loss of \$3,408 in connection with handling the 1924 crop, is shown in a report from the South Haven Fruit Exchange, South Haven, Mich. This loss is a few dollars less than the charge made for depreciation for the year, which means that the income was a little more than enough to meet current expenses. A short crop is given as one of the causes of the unsatisfactory showing. In normal years the exchange makes fruit sales ranging from \$250,000 to \$300,000. At the close of the last business year the exchange had fixed assets to the value of \$68,000, with outstanding capital stock of \$48,800 and a deficit accumulated during several years of \$7,900.

The exchange is a local institution which has been operating since 1913. It was formed originally to grade, pack, and sell the fruits of the surrounding orchards, but to-day it is engaged in a wide diversity of business activities and its plant is in operation the greater part of the year. In addition to grading, packing and marketing the members' fruit, the exchange also sells implements, spray material and fertilizers, this part of the business amounting to \$85,000 in 1923.

---0---

FEDERATED GROWERS REPORT WIDER DISTRIBUTION OF SALES

A wider distribution of carlot sales of perishables in 1924, is considered by the Federated Fruit and Vegetable Growers, New York City, as a notable achievement of the year. Carlot sales were made in 1,196 cities and towns in 47 states, compared with 772 cities and towns in 46 states in 1923. Cars of potatoes, apples, watermelons, peaches, and other commodities, were sold to towns of only a few hundred population which had never before purchased in carlot quantities. In addition to domestic markets, sales were made in England, the Scandinavian countries, Cuba, South America, and Mexico.

The number of cars of commodities sold for member associations is given as 34,104, made up as follows: 25.75 per cent consisted of apples, pears, peaches, and allied fruits; 33.5 per cent were potatoes; 40.75 per cent were other fruits and vegetables. These products came from 39 states, and 88 per cent were sold on an f. o. b. basis; 5.4 per cent through terminal market fruit auctions; and 6.6 per cent at private sale after arrival at the markets.

Adverse weather conditions resulted in a decrease in tonnage of apples handled, while there was a substantial increase in tonnage of watermelons, potatoes, and citrus fruit.

Due to the enormous crop of potatoes, the Potato Sales Division has encountered many difficulties, but up to December 31 had distributed Minnesota potatoes in 26 states and several Canadian provinces, the shipments going to 652 cities and towns.

It is stated that the annual report will show a substantial increase in surplus and revolving fund accounts for the year 1924.

TEXAS FIG GROWERS TO BUILD FOUR PRESERVING PLANTS

It is reported that a large plant for preserving figs is being constructed at Alvin, Texas, by the Texas Farm Bureau Fig Growers' Association. This plant will care for about 1,200 acres of figs and will cost \$50,000. Definite plans have also been made for a preserving plant at Burr, Texas, and work will begin at once. The association controls 2,000 acres of bearing figs and has floated bonds for the erection of four plants costing approximately \$100,000. The other two plants are to be located at Ganado and Bay City.

-----O-----

CAULIFLOWER GROWERS TO COOPERATE IN NEW MEXICO

Growers of cauliflower in three communities in New Mexico in 1924 shipped 60 carloads of cauliflower of high quality, according to a recent report from C. A. McNabb, Field Agent in Marketing for New Mexico. Each community has a loose sort of organization. Measures are now being taken to unite the three communities in one organization to handle and market cauliflower and probably other vegetables. The Cox Canyon growers and the Mt. Park growers are on the western slope of the Sacramento Mountains, and the Mayhill community on the eastern slope.

-----O-----

APPLE SHIPMENTS BY CALIFORNIA ASSOCIATION

Shipments of apples by the Sebastopol Apple Growers' Union, Sebastopol, Calif., for the 1924 season totaled 409,519 boxes. More than three-fourths of this total was boxes of Gravenstein apples. Shipments were made from ten stations in the vicinity of Sebastopol. This association which was organized in 1910 has been marketing apples since the season of 1911. Below are given figures which indicate its development during the last four years:

Year	Net Worth	Fixed Assets	Boxes of Apples Shipped
1921	\$105,430	\$ 76,785	434,761
1922	153,304	178,062	592,595
1923	232,970	178,155 ^{1/2}	1,051,765
1924	226,525	187,999 ^{1/2}	409,519

1/ Less reserve for depreciation.

SOUTH JERSEY FARMERS SELL AND BUY COOPERATIVELY

Organized and incorporated in April of 1909, the South Jersey Farmers' Exchange, Woodstown, N. J., during its sixteen years of activity, has transacted business to the amount of \$20,559,515. Its capital stock has increased from \$11,050 to \$250,000. Twice during the period stock dividends of 100% have been declared, in 1917 and in 1922. Net profits carried to surplus amounted to \$315,633 for the sixteen-year period. The profits per \$100 of business transacted have ranged from 70¢ in 1920 to \$2.87 in 1917. Dividends have been paid on capital stock since 1917, in which year they were 104%, including the 100% stock dividend. In 1918 and 1919 6% was paid; in 1920 and 1921, 8%; in 1922, 104%, including stock dividend; in 1923, 4%; and in 1924, 5%.

The figures telling the story of the growth of the organization as measured in dollars are as follows:

Year	Capital Stock	Amount of Business	Net Profit to Surplus	Profit per \$100 of Business
1909	\$ 11,050	\$ 363,249	\$ 5,233	-----
1910	26,330	445,092	4,438	\$.98
1911	26,330	877,883	11,902	1.35
1912	26,805	734,746	17,801	2.42
1913	28,410	703,220	15,016	2.13
1914	28,470	750,085	15,895	2.12
1915	28,470	746,686	14,123	1.89
1916	28,470	1,087,347	29,737	2.73
1917	28,470	1,602,558	45,970	2.87
1918	62,305	1,750,539	18,498	1.05
1919	62,305	2,073,687	30,576	1.47
1920	125,000	2,844,833	20,037	.70
1921	125,000	1,961,004	15,966	.81
1922	250,000	1,677,954	22,554	1.34
1923	250,000	1,553,614	23,281	1.50
1924	250,000	1,386,981	24,599	1.72

Available figures regarding the quantities of the various commodities sold or bought by the exchange for its members are as follows:

Potatoes.....	13,274 carloads	Coal	18,741 tons
Tomatoes	1,460 "	Baskets	966,899
Fertilizer	124,696 tons	Grass seed ..	2,761,862 pounds
Feed	120,122 "	Seed potatoes	142,185 sacks
Lime	14,975 "		

Potato shipments have varied from 356 carlots in 1916 to 1,283 in 1922. Tomato shipments ranged from 67 cars in 1918 to 436 cars in 1922. The potato shipments by years were as follows:

Year	: Carlots	::	Year	: Carlots	::	Year	: Carlots
1909	:	:	1915	:	:	1921	:
1910	:	:	1916	:	:	1922	:
1911	:	:	1917	:	:	1923	:
1912	:	:	1918	:	:	1924	:
1913	:	:	1919	:	:		:
1914	:	:	1920	:	:		:

A falling off in quantities of supplies purchased for farmers in 1924 is attributed by the management to a change of policy. During the year a rule was adopted to the effect that all business should be done on a 30-days basis, rather than on 3, 4, or 6-months time. In the words of the manager, "We thought it better to sell less than to take chances with book accounts. We were right, as the profits have increased and we were able to pay larger dividends, as we did not lose any money by uncollectable accounts, whereas in previous years we were forced to charge off several thousand dollars because of accounts which could not be collected."

Warehouses are operated at four outlying points as well as at Woodstock.

-----C-----

MINNESOTA POTATO GROWERS RECEIVE FIRST POOL PAYMENT

Members of the Minnesota Potato Growers' Exchange, St. Paul, Minn., began receiving their first pool checks immediately following January 19, on which date the state office began sending remittances to the western, central and eastern districts, one county at a time. It is reported that a special effort is being made to hasten the computation of the amounts due and it is expected that the entire membership of more than 13,000 will receive their payments within 30 days.

The following schedule, based on the market value of the various kinds of potatoes, is used for this payment:

	<u>Cents per cwt.</u>
Round white, Sandland Chios, Green Mountain and mixed varieties.....	8
Red River Chios and Cobblers	10
Triumphs and Russet Burbanks	12
Certified seed stock	20

As the bulk of the organization's expense has already been met, it is stated that other pool payments will quickly follow current sales.

As rapidly as checks are sent out, meetings are held in each county by the general manager, the purpose being to give every member first-hand information as to exactly what the association has been able to accomplish and to answer questions that may be in the minds of the growers. The first series of meetings, held in Clay County, had an almost 100% attendance.

TWENTY YEARS OF STATISTICAL HISTORY

All of the profit for the year 1924 was used by the Eastern Shore of Virginia Produce Exchange, Onley, Va., as a patronage dividend. This dividend, which amounted to \$15,430, was the 'smallest' paid in eleven years, except that in two years of the eleven, 1915, and 1920, no patronage dividend whatever was paid. The total of patronage dividends since 1914 is \$360,352.

Although the total number of packages of produce handled by the exchange was more than 23% larger than in 1923, the total receipts from sales were about a million dollars less than for 1923. At the same time expenses for 1924 were greater than those for 1923.

The quantity of products marketed was as follows:

White potatoes.....	2,369,397	barrels
Sweet potatoes	645,072	"
Strawberries.....	214,753	packages
Cabbage.....	79,636	"
Onions.....	120,615	"
Miscellaneous.....	47,997	"

In the following table are given figures indicating the development of this business enterprise since 1905:

Year	Capital		Liabilities:		Packages Handled :		Total Sales	
	Amount	Index	Number	Index	Amount	Index		
1905	\$ 52,421	100	1,192,430	100	\$ 1,446,135	100		
1906	67,002	123	1,045,912	88	1,647,414	114		
1907	95,066	151	1,091,252	92	2,035,945	144		
1908	116,830	223	1,324,523	111	2,489,573	172		
1909	127,502	243	1,435,382	120	2,227,791	154		
1910	127,967	244	2,031,091	170	2,474,451	171		
1911	116,335	222	992,188	83	2,798,616	194		
1912	126,260	241	1,858,018	156	3,583,745	248		
1913	150,295	287	2,850,722	239	4,643,802	321		
1914	196,938	376	2,489,955	209	5,893,942	408		
1915	178,798	341	2,945,151	251	3,395,082	235		
1916	235,440	449	3,122,970	262	6,971,786	482		
1917	272,104	519	2,852,150	239	10,832,571	749		
1918	283,232	540	1,884,795	158	8,690,426	601		
1919	336,597	642	2,932,327	246	13,081,545	905		
1920	280,860	535	2,937,784	246	19,269,890	1333		
1921	277,719	530	2,853,042	239	9,146,972	633		
1922	295,833	564	3,212,150	269	9,199,925	636		
1923	305,404	583	2,808,256	236	11,638,801	805		
1924	303,559	579	3,477,520	292	10,465,667	724		

Data regarding expenditures for expense are available since 1914. The figures show that expenses have varied from \$197,384 in 1915 to \$555,929 in 1920 which was a year of high prices, total sales for this year exceeding those for any other year by more than \$6,000,000 although the number of packages handled was not so large as for four other years.

The per cent which expenses were of gross sales was low in 1920 being less than 3%. In 1915 when the price level for fruits and vegetables was the lowest for all years since 1910, the per cent cost of the exchange service was at its highest, being 5.8% of the total sales.

Figures showing expenses and profits year by year since 1914, with the per cent which these expenses were of total sales, and the amount of patronage dividends paid for the various years are given in the table below:

Year :	Expenses	Per cent, 1/ : Expenses : of sales :	Profits	Patronage : Dividends
1914 :	\$233,180	: 3.9	: \$ 93,225	: \$46,612
1915 :	197,384	: 5.8	: 18,169	: none
1916 :	272,319	: 3.9	: 113,043	: 56,521
1917 :	356,946	: 3.3	: 81,757	: 45,178
1918 :	269,990	: 3.1	: 32,756	: 21,628
1919 :	303,601	: 2.3	: 107,162	: 61,127
1920 :	555,929	: 2.9	: 19,710 ^{2/}	: none
1921 :	382,786	: 4.2	: 48,745	: 43,276
1922 :	364,641	: 3.9	: 56,755	: 38,618
1923 :	389,455	: 3.3	: 45,969	: 31,912
1924 :	396,602	: 3.8	: 15,480	: 15,480

1/ Including allowances, adjustments, losses, taxes, etc.

2/ Loss

In the report of the auditors for the year ending with December 31, 1924, the fixed assets are placed at \$47,787. The larger items making up the total are \$21,000 for storage house and \$15,000 for office building. The total assets amount to \$354,896 and the net worth is \$303,559.

Other material regarding the above named organization will be found in Agricultural Cooperation for February 12, 1923, p. 3, and February 11, 1924, p. 45.

BUTTER SALES DEPARTMENT REPORTS FOR FIRST YEAR

The Butter Sales Department of the Minnesota Cooperative Creameries Association, St. Paul, Minn., in its first year of operation, 1924, sold 32,843,034 pounds of butter for the 465 member creameries. Gross returns to the creameries for this butter amounted to \$13,362,427, the average monthly prices ranging from 51.46 cents in January to 37.35 cents in April. In 1922 only 25% of the butter was sold for extras, and now 74% of all butter handled by the association scores extras or above, and over 50% is handled as Land O'Lakes butter. All butter is now scored by Federal inspectors and sold under Federal certificate of quality. A car load of butter per week in one-pound Land O'Lakes cartons is sold in Washington, D. C.

Three thousand, two hundred car loads of butter were shipped during 1924, and of the 32,000,000 pounds sold some 18,000,000 pounds went to new markets.

The association now has a net worth of \$264,000 and maintains offices in St. Paul, Duluth, Chicago, Philadelphia, and New York.

-----0-----

ABERDEEN CREAMERY REPORTS SUCCESSFUL YEAR

Total sales for the Equity Union Creamery and Mercantile Exchange, Aberdeen, S. D., for the year 1924, are reported as \$681,840, and the gross gains as \$50,153. Capital stock outstanding at the end of the year, November 29, 1924, was \$95,030; surplus, \$24,038; undivided profits, \$25,094; while the net worth was \$144,334. Among the assets are: butter in storage, \$21,328; butter in transit, \$17,097; real estate, \$4,500; creamery building, \$105,500; ice cream equipment, \$13,907; creamery and office equipment, \$22,733.

The annual meeting of the association was held at Aberdeen, January 13 and 14, with a large attendance, all parts of the northwest being represented.

This creamery was one of the first cooperative centralized creameries to be established in this country. It was chartered in 1915, and began making butter on February 16, 1916. One half million pounds of butter was made the first year.

In a little more than one year after the creamery had begun operations, the business had outgrown the original building, making it necessary to enlarge the plant. Two years later, the business having increased beyond existing facilities, a new building was erected. Cream is received from members 100 miles distant from Aberdeen. It is planned eventually to establish auxiliary plants to serve the more distant stations. The ice cream and egg departments recently added are increasing the volume of business handled. The present output of the plant is about one and one-half cars of butter a week.

Sales for the past four years have been as follows: 1921, \$700,000; 1922, \$600,000; 1923, \$750,000; 1924, \$681,840.

DAIRYMEN'S LEAGUE TO CONCENTRATE ON SELLING FLUID MILK

Announcement is made by the Dairymen's League Cooperative Association, Inc., New York City, that it is to discontinue its manufacturing operations in five of its large plants. Three of these plants are in New York State and two in Pennsylvania. Two of the New York State plants have been sold outright to the Borden Company; the other three plants have been leased to the same company which will take over the manufacture and distribution of Dairylea evaporated and condensed milk in addition to its established brands. It is stated with regard to the leased plants that:

Ample provision has been made whereby that company (Borden's) will receive at all times all pool milk available in the territory tributary to these locations, keeping the same amount available to meet the Class I requirements of the league, the league retaining the right to direct the milk wherever and to whomsoever it deems advisable. Provision has also been made in each lease whereby it can be cancelled on short notice. Under the terms of the lease the league will receive a return of 6% on its investment, plus 5% depreciation on buildings and 10% depreciation on equipment. This is the usual basis established by the league in case of leases and is considered very fair.

By the terms of the agreement also, the Borden Company, under a license granted by the league and which will go into effect on February 15. agrees to market Dairylea milk for the association and to pay therefor a license fee. The company agrees to maintain these Dairylea markets within a specified territory during the terms of the lease and at the termination thereof must turn back to the association the brand name, Dairylea, and the markets agreed upon.

The trade name still remains the property of the league and the Borden Company is given permission to use it only upon condensed and evaporated milk....

This action means practically the elimination of the selling and advertising of products made from surplus milk. It is expected to result in a material decrease in administrative expenses in every department of the organization. It is stated that the efforts of the association will now be concentrated largely on the sale of fluid milk.

CALIFORNIA MILK BUSINESS IS INCREASING

Milk valued at \$5,819,853 was handled by the California Milk Producers' Association, Los Angeles, Calif., during 1924. This was an increase of nearly \$800,000 over the preceding year and an increase of more than \$2,000,000 over 1922.

Formed in 1915, the association now has a membership of approximately 600 milk producers. The following table gives available figures regarding volume of business as measured in pounds of milk handled, also figures indicating the cost of doing business expressed as a percentage of the value of milk handled.

Year	Milk Handled		Value of Milk		Cost of	
	Pounds	Index	Amount	Index	Doing	Business
		Number		Number	Per cent	
1917	20,201,077	100	\$ 521,611	100	3.00	
1918	31,147,617	154	1,287,037	247	1.75	
1919	42,352,800	210	1,600,562	345	1.62	
1920	61,965,621	307	2,925,404	572	1.37	
1921	87,140,065	431	3,201,137	614	1.15	
1922	-----	---	3,633,401	706	1.40	
1923	-----	---	5,027,028	964	1.12	
1924	-----	---	5,819,853	1,116	1.03	

The income of the organization is derived from assessments based on volume of business, a portion of membership payments and interest. Total income for 1924 was \$68,250 compared with \$61,933 for 1923.

Expenses for the two years were as follows:

	1923	1924
Salaries, management	\$13,687.16	\$12,298.97
Salaries, testing department	29,073.15	34,850.38
Directors' compensation	1,621.93	1,075.73
Legal expense	1,263.00	1,320.25
Meetings and travel	2,855.53	2,597.24
Interest paid	3,226.37	2,590.10
City, county, state taxes	1,811.25	3,112.85
Supplies and miscellaneous expense	7,292.20	8,024.40
Total	60,830.64	65,369.92

Excess of income over expenses was \$1,103 for 1923 and \$2,380 for 1924.

The balance sheet at the close of business on December 31, 1924, showed a net worth of \$111,305. Among the assets was capital stock of the Dairymen's Feed & Supply Company, to the amount of \$24,000. A separate balance sheet for the creamery purchase fund shows that the members have an investment in plants and equipment and in the capital stock of the Burr Creamery amounting to \$236,609. The Burr Creamery, a subsidiary company, owns and operates a milk distributing business in Los Angeles.

SALES AGENCY IN CENTRAL MARKET SELLS DAIRY PRODUCTS

"Let quality and cooperation be our watchword" is the sentiment with which the manager of the Challenge Cream and Butter Association, Los Angeles, Calif., closes his report for the year ending December 31, 1924. This association is a cooperative selling agency in Los Angeles and San Diego, serving eleven cooperative creameries. It is owned and controlled by the enterprises served. The amount of business credited to the various years beginning with 1913 is as follows:

Year	: Pounds of Butter Handled	: Total Sales (All Products) ^{1/}
1913	: 1,756,664	: \$ 700,000
1914	: 2,322,185	: 800,546
1915	: 2,974,728	: -----
1916	: 3,192,036	: -----
1917	: 3,281,613	: -----
1918	: 3,295,264	: -----
1919	: 3,582,420	: -----
1920	: 4,537,905	: 3,310,224
1921	: 6,852,494	: 3,658,176
1922	: 9,381,295	: 5,011,591
1923	: 12,476,098	: 7,735,719
1924	: 15,266,401	: 9,099,188

^{1/} Butter, cream, condensed skimmed milk, sweetened condensed skimmed milk, skimmed milk powder, cheese, eggs.

The quantities of products handled in 1924 in addition to butter were:

Cream and whole milk,.....	1,573,399 pounds
Buttermilk,.....	6,765 gallons
Condensed skimmed milk,.....	149,030 gallons
Sweetened condensed skimmed milk,.....	1,091,752 pounds
Skim milk powder,.....	131,960 pounds
Cheese,.....	546,366 pounds
Eggs,.....	2,205,243 dozens

Returns to member creameries were \$7,855,894 or 86% of gross sales.

Expenses of the Challenge Cream & Butter Association for the year as given by the manager were \$281,249 or 3.09% of total sales. The unit costs of handling for three of the products were, butter, 1.4955 cents a pound; eggs, 1.5297 cents a dozen; cheese, 1.4611 cents a pound.

A loss of \$4,810 was reported on storage butter, this being the third loss of this kind during 14 years of operation.

Approximately \$150,000 is the capital investment in the association, of this amount \$66,000 represents "Certificates of Interest" credited to the member creameries, and \$30,000 represents memberships.

During the year 2,176,169 pounds of butter was handled in addition to the butter turned over for marketing by the member creameries.

SASKATCHEWAN TURKEY POOLS BRING GOOD PRICES TO SHIPPERS

Sixteen cars of turkeys were handled in the Saskatchewan turkey pool operated the past season by the Canadian Department of Agriculture in conjunction with the Saskatchewan Grain Growers' Association, and with the Saskatchewan Cooperative Creameries acting as selling agents. Six of the sixteen cars were loaded with farm-dressed birds, and ten cars with live turkeys which were shipped to the killing stations of the Saskatchewan Cooperative Creameries for killing, dressing and packing.

Final payments have been made on the dressed turkeys, and the producers received a net price of 27-1/2 cents per pound for all weights of No. 1 turkeys, and 22-1/2 cents for No. 2's.

A circular from the Department of Agriculture, dated January 30, states that the live turkey pool will be closed out within two or three days and that shippers will receive 15-7/8 cents for No. 1 live birds, 12-7/8 cents for No. 2's and 10 cents for lower grades. It is believed that a permanent organization for marketing poultry will soon be an accomplished fact. (See Agricultural Cooperation, October 6, 1924, p. 323)

-----0-----

WASHINGTON EGG ASSOCIATION REPORTS BIG BUSINESS

More than eleven million dozen eggs were handled in 1924 by the Washington Cooperative Egg and Poultry Association, Seattle, Wash., according to its recent financial statement. Sales of the egg department amounted to \$4,009,997; of the feed department, \$1,265,673; of the poultry department, \$230,217; pad manufacturing department, \$18,786; egg meats department, \$57,315; Tacoma mill sales \$631,013; total, \$6,213,009.

The total revenue of the association for the year was \$862,665 and the disbursements for expenses \$652,709, leaving a profit of \$209,956. This profit was derived in part from the following sources: Feed department, \$101,535; shipping account, \$49,567; egg department, \$38,550; poultry department, \$8,619; pad department, \$4,033.

It was recommended by the management that the profits be disposed of as follows:

Dividend on common and preferred stock, 8%....	\$25,452.59
Deferred payments on eggs.....	37,174.13
Preferred stock dividend on feed purchases....	86,305.40
Total payments to members.....	148,932.12
Reserves.....	61,024.41
Total.....	209,956.53

A total of 11,193,348 dozens of eggs were handled and the expenses for handling were as follows:

	Amount	Per Dozen (Cents)
General expense.....	\$189,105.55	1.6891
Candling labor and expense....	73,603.32	.6576
Egg cases, flats and fillers..	170,749.41	1.5254
Total costs.....	433,458.28	3.8721

ST. LOUIS PRODUCERS HOLD ANNUAL MEETING

Two hundred livestock producers attended the third annual meeting of the St. Louis Livestock Producers' Commission, held recently at the National Stock Yards, Ill. The report of the manager showed that while this company was one of 37 agencies operating on the St. Louis market its volume of business was nearly one-fifth of the total receipts. During the year 14,548 cars of livestock were handled. This was 2,849 more cars than the company handled in 1923. Gross sales for 1924 amounted to \$18,977,387.

---0---

BIG BUSINESS BY LIVESTOCK SELLING AGENCY FOR FIRST YEAR.

Nearly 95% of the receipts from the sale of 142,330 head of livestock by the Producers' Commission Association, Sioux City, Iowa, during 1924 was returned to the shippers by the association. Commissions for selling amounted to less than two per cent. Freight and trucking absorbed 2.7% of the gross receipts. The amounts for each group of deductions and the per cent which these were of the total receipts are indicated below:

	Amount	Per Cent
Freight and trucking	\$ 89,526.81	2.7
Commissions	57,143.13	1.8
Yardage	20,372.60	.6
Hay	2,819.78	.1
Insurance	1,995.21	.1
Inspection	169.58	.01 ^{1/}
Total charges	172,027.11	5.3
Returns to shippers	3,088,189.67	94.7
Gross sales	3,260,216.78	100.0

^{1/} Less than one-tenth of 1%

In addition to sales this association purchased for clients 49 cars of livestock containing 1,270 animals. Adding the charges to the purchasing prices, the total cost of the animals at the stockyards was \$38,713.

The Producers' Commission Association is one of the youngest of the terminal-market livestock selling agencies in the group which is functioning under the supervision of the National Live Stock Producers' Association. The Sioux City association has been operating less than a year as it began to function on March 15, 1924. Prior to that time, a producers' association had operated for a few months at Sioux Falls, South Dakota.

FARMERS AND BUSINESS MEN COOPERATE

The Adrian Community Market, Adrian, Mich., is an example of co-operation between farmers and city business men. The two interests combined to raise the capital to establish a market where a farmer could deliver odd lots of produce which he might have for sale and go about his business knowing that the products would be marketed to as good advantage as prevailing consumer demand would permit. Farmers became members of the enterprise in order to secure a market for their odd lots of produce, and business men became members in order that the farmers should visit Adrian rather than some one of the neighboring towns where there were other cooperative enterprises.

The market was established in 1918 and by the close of the year had transacted business to the amount of \$65,000. Amounts of business for the succeeding years were as follows: 1919, \$167,110; 1920, \$160,131; 1921, \$104,339; 1922, \$92,355; 1923, \$89,000; 1924, \$106,292. At the close of 1924 the association had fixed assets amounting to nearly \$5,000 and a net worth in excess of \$11,000.

A considerable portion of the products delivered to the market are loaded into auto trucks and taken to Detroit and Toledo for sale.

-----O-----

NEW WHEAT POOL DRIVE BY INDIANA ASSOCIATION

The Indiana Wheat Growers' Association, Indianapolis, Ind., is making a second drive to sign wheat growers of the state on pooling contracts. The drive is under the direction of the Indiana Farm Bureau Federation, and it is expected that by harvest time 20,000 wheat growers will have signed contracts. This number would represent an increase over the original sign-up of last year of more than 150%. The plan is to work the territory by districts, and an effort will be made to reach every wheat grower in the state.

Members of this association received \$550,000 during the last week of January in a distribution from the proceeds of the 1924 pool. This distribution amounted to 40¢ a bushel to all members who delivered their wheat on or before December 31. This brings the pool payments up to \$1.25 a bushel, which, according to the association management, is 10¢ a bushel more than the average price received by nonmembers for wheat sold at threshing time, and the pool members have two more payments coming.

Total deliveries of wheat up to January 10 are reported as being more than 1,300,000 bushels. At that time wheat was being received at the rate of 10,000 bushels a day.

One of the most difficult problems which the association faced in 1924 was that of terminal storage. Incorporated late in the year it was difficult to arrange for sufficient first class storage for the wheat delivered. This year preparations are being made to overcome this difficulty and several spacious storage places have been engaged. A new elevator contract has been prepared by a committee and accepted by the board of directors.

FIFTEEN THOUSAND FARMERS BUY SUPPLIES COOPERATIVELY

Purchases of supplies for its members amounting to \$5,526,553, during the year 1924, are reported by the Eastern States Farmers' Exchange, Springfield, Mass. This was an increase of 18% over the volume handled the previous year. Feed was by far the largest line of business, the quantity purchased being 102,735 tons, and the amount involved, \$5,117,346. Fertilizers came second on the list, 10,980 tons amounting to \$374,195; 230,639 pounds of seeds cost \$28,241; spray materials came to \$1,100; and sundries to \$5,670.

The service is rendered through local agents stationed at 457 shipping stations located in seven states. More than 15,000 farmers are active members, mostly located in New England. Savings of 10% to 25% on purchases through the exchange, are reported from different sections.

The Eastern States Farmers' Exchange was organized in February, 1918, and is conducted without capital stock. The financial statement of December 31, 1924, shows net assets of \$78,177 and no liabilities. The by-laws provide that a surplus shall be accumulated in the amount of \$100,000 before dividends are paid, after which time dividends may be declared on the basis of patronage of the individual membership.

(See also Agricultural Cooperation, March 26, 1923, p. 16, and April 21, 1924, p. 123.)

-----O-----

AMERICAN INSTITUTE OF COOPERATION IS INCORPORATED

The American Institute of Cooperation was incorporated under the laws of the District of Columbia on January 22, 1925. Its plan of organization provides for the selection by participating organizations of representatives who shall constitute a general assembly. The general assembly in addition to making general recommendations will elect annually a board of twenty-one trustees who will be directly responsible for the management of the Institute.

It is proposed to hold a four-weeks session during the coming summer in cooperation with one of the colleges or universities.

The participating organizations at the time of incorporation were: American Farm Economics Association; National Association of Commissioners, Secretaries and Departments of Agriculture; National Grange, Patrons of Husbandry; American Farm Bureau Federation; Farmers' Educational and Cooperative Union of America; National Cooperative Milk Producers' Federation; National Board of Farm Organizations; National Association of Marketing Officials; Sun-Maid Raisin Growers of California; American Committee on the International Institute of Agriculture at Rome; Federated Fruit and Vegetable Growers; Staple Cotton Cooperative Association; National Pecan Growers' Exchange; Illinois Agricultural Association; Pennsylvania Farmers' Cooperative Federation; Farmers' National Grain Dealers' Association.

"PUBLIC WELFARE" JUSTIFIES SUPPORT OF COOPERATIVE MARKETING ASSOCIATIONS

The California Prune and Apricot Growers' Association brought suit in the Supreme Court of Sonoma County, California, against Giovanni Rosasco, praying that the contract which the association had with him be specifically enforced, and for an injunction to enjoin him from delivering his 1924 crop of prunes outside of the association. In *Poultry Producers of Southern California v. Barlow*, 189 Calif. 278, 208 Pac. 93, it was held that plaintiff was not entitled to an injunction to restrain the defendant from disposing of his eggs to third parties, nor to the remedy of specific performance. Subsequently the legislature of California passed a cooperative statute which, among other things, stated that:

The by-laws or the marketing contract may fix as liquidated damages specific sums to be paid by the members... upon breach by him of any of the provisions... In the event of any such... threatened breach... the association shall be entitled to an injunction to prevent a further breach of contract, and to a decree of specific performance thereof...

In the instant case the defendant demurred to the complaint filed by the association claiming that it was not entitled to the remedies of injunction and specific performance, asserting that the statutory provision apparently authorizing these remedies was unconstitutional. In support of this position, defendant relied upon the following provisions in the constitution of California:

All laws of a general nature shall have a uniform operation.

No special privileges or immunities shall ever be granted which may not be altered, revoked or repealed by the legislature, nor shall any citizen, or class of citizens be granted privileges or immunities which, upon the same terms, shall ^{not} be granted to all citizens.

The legislature shall not pass local or special laws in any of the following... cases:

(3) Regulating the practice of courts of justice.

(19) Granting to any corporation, association or individual any special or exclusive right, privilege or immunity.

The court ruled in favor of the association and in doing so, among other things said:

There seems to be a growing tendency of our courts and the legislature of several states to protect farm marketing associations on the ground of what has been termed "public welfare," in the interest of uniform, economical and efficient marketing of products of the soil, to avoid speculation in food products so far as possible. This may account for what may appear to be a liberal construction and classification.

The court also called attention to the fact that several cases were pending in the Supreme Court of the state in which the constitutionality of the statutory provisions in question were involved.

L. S. Hulbert.

-----O-----

MINNESOTA COURT PROTECTS INNOCENT PURCHASERS

The District Court of Ramsey County, Minnesota, recently passed upon the section of the cooperative statute of that state which authorizes an association to recover \$500 from a dealer who knowingly induces a member of the association to breach his contract, and in addition provides that the dealer may be prosecuted and fined \$500. The court said that dealers who innocently purchased produce under the circumstances in question were not subject to fines or civil suits, but held the provisions valid when malicious attempts were made by dealers to buy the produce of a member of a cooperative association.

L. S. Hulbert.

-----O-----

NEBRASKA COURT HOLDS WITH COOPERATIVE ASSOCIATION

What appears to be the first case involving a cooperative association decided by a Nebraska court, was recently decided by the District Court of York County, Nebraska. In this case the Nebraska Wheat Growers' Association brought suit against one of its members who had entered into a contract with it, under which he was required to market all of his wheat through the association, for the purpose of enjoining him from disposing of wheat outside of the association, and for the purpose of recovering liquidated damages in the amount of 25 cents per bushel for all wheat which had been sold by him to third persons. The court held in favor of the association on both propositions.

L. S. Hulbert.

BROOMCORN GROWERS PUBLISH PERIODICAL

A semimonthly publication known as "The Cooperative Broomcorn Grower," is being issued by the Broomcorn Growers' Cooperative Association, Oklahoma City, Okla. Its purpose is stated to be "To promote the best interests of broomcorn growers everywhere by bringing about orderly marketing of broomcorn on a standardized basis." E. D. Tyler is editor and director of publicity.

-----O-----

MOTION PICTURE OF COOPERATIVE MARKETING OF COTTON

"Cooperative Marketing-- Cotton" is the title of a two-reel motion picture recently released by the United States Department of Agriculture. This film shows the picking, ginning and baling of cotton, delivery to the association, sampling, classing, grouping of samples into even-running lots, compressing, warehousing and loading for export, also office scenes showing the leaders of several of the cotton associations in action.

This is one of the series of educational motion pictures being made by the Department to tell the story of existing practices in regard to the cooperative marketing of important farm products. The series is designed for use by cooperative associations, state extension agencies, and by teachers giving courses in marketing. Arrangements for buying or leasing the film can be made through the Office of Motion Pictures, Department of Agriculture, Washington, D. C.

-----C-----

REPORT ON COOPERATION IN FOREIGN COUNTRIES

"Cooperation in Foreign Countries" is the title of a report submitted to the Senate of the United States by the Federal Trade Commission and printed as a Senate document under date of December 2, 1924. The report is based upon investigations made in the summer of 1923 by Huston Thompson, Chairman of the Federal Trade Commission, and Dr. William Nots, Chief of the Export Trade Division of the commission. Fifteen countries of Europe were visited and material collected by investigations of farms, dairies, mills, stores, warehouses, banks, and the educational agencies of the various cooperative societies. Among the subjects considered are consumer cooperation, agricultural cooperation, cooperative credit and banking, cooperative education and cooperative laws.

Copies of the report are obtainable at a charge of 25¢ each from the Superintendent of Documents, Government Printing Office, Washington, D. C.

SOUTH CAROLINA FORMS GENERAL MARKETING ORGANIZATION

A marketing organization known as the Carolina Cooperatives Consolidated, Florence, S. C., has been organized under the direction of the Extension Service of Clemson Agricultural College, thereby federating the sweet potato, dewberry, and peach growers' associations. Marketing units are being formed in each county. The business men are asked to provide a revolving fund and furnish a manager; county agents are to assist in assembling produce at the county warehouses; the college marketing agents are to grade, pack, and standardize; and sales are to be made by the county units through the Carolina Cooperatives Consolidated, which will charge a small commission for its services.

-----0-----

IN THIS ISSUE

	<u>Page</u>
Fruits and vegetables:	
Sun-Maid Raisin Growers preparing to make raisin syrup.....	63
Southern Michigan association members signing contracts.....	64
South Haven Fruit Exchange loses money.....	65
Federated Growers sell in 1,196 cities and towns.....	65
South Jersey Exchange reports profits every year.....	67
Minnesota Potato Growers receive first pool payment.....	68
Eastern Shore of Virginia Produce Exchange reports.....	69
Dairy products:	
Minnesota creameries sell over 3,000 cars of butter.....	71
Equity Union Creamery at Aberdeen holds big meeting.....	71
Dairymen's League concentrates on selling fluid milk.....	72
California Milk Producers' business increases by \$300,000.....	73
Challenge Cream and Butter sales agency is prospering.....	74
Poultry and poultry products:	
Saskatchewan turkey pool sells 16 cars of turkeys.....	75
Washington Egg and Poultry Association pays dividends.....	75
Livestock:	
Livestock Producers at Sioux City report good business.....	76
Wheat:	
Indiana Wheat Growers start membership drive.....	77
Miscellaneous products:	
Adrian Community Market closes sixth year.....	77
South Carolina forms general marketing organization.....	82
Cooperative buying:	
Eastern States Farmers' Exchange buys supplies.....	78
Legal:	
California court favors cooperatives.....	79
Minnesota court protects innocent purchasers.....	80
Nebraska court holds with cooperative associations.....	80
Education and publications:	
American Institute of Cooperation is incorporated.....	78
Oklahoma Brooncorn Growers issue house organ.....	81
Motion picture entitled "Cooperative Marketing--Cotton".....	81
Federal Trade Commission reports on foreign cooperation.....	81